TO: Governor

FROM: John Arledge

DATE: March 17, 2004

SUBJECT: Formation of tax group

Over the last several weeks I have asked some of our business allies to consider forming a separate taxpayers group – similar to such organizations in other states – to help in this and future tax/budget debates. This would be an obvious help to us in holding the line on tax increases and in seeking government cost-savings. The business community would also benefit from taking preemptive action against future tax hike proposals on their industries.

We had our first meeting yesterday. The participants included MMA, NFIB, MS Policy Institute and other trade lobbyists. Van White has taken the lead in organizing. I told them it would be better if the organization was created independently of the Governor's Office, but that we would support its public announcement.

I originally requested that they try to form in time to announce by April 15. They still think that is possible. They are currently identifying funding support and will then concentrate on creating a taxpayer database through a call program.

I will keep you posted of developments.